



STATE BOARD OF EQUALIZATION  
PROPERTY AND SPECIAL TAXES DEPARTMENT  
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Interim Executive Director  
No. 2003/048

July 9, 2003

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

PROPERTY TAX RULE 462.500  
*CHANGE IN OWNERSHIP OF REAL PROPERTY ACQUIRED TO REPLACE PROPERTY*  
*TAKEN BY GOVERNMENTAL ACTION OR EMINENT DOMAIN PROCEEDINGS*

On March 28, 2003, the Board received a petition for amendment of Property Tax Rule 462.500, *Change in Ownership of Real Property Acquired to Replace Property Taken By Governmental Action or Eminent Domain Proceedings*. Pursuant to Government Code section 11340.6, Mr. Terry L. Polley, Esq. of Ajalat, Polley & Ayoob, has requested that the Board amend subsection (c) of Rule 462.500, which sets forth the standards and criteria for comparability of replacement properties, to incorporate by reference the definition of "like kind" as provided in the Internal Revenue Code and Treasury Regulations.

At the June 25 meeting of the Board, staff was directed to discuss the potential rule amendments with interested parties and to bring the rule to the Property Tax Committee meeting on September 24. The petition submitted by Mr. Polley and other relevant documents regarding the proposed amendment of Rule 462.500 are posted on the Board's Web site at [www.boe.ca.gov/proptaxes/ptr462500.htm](http://www.boe.ca.gov/proptaxes/ptr462500.htm).

There will be an interested parties meeting to discuss Rule 462.500 on Monday, July 21, 2003, in Sacramento at 450 N Street, Room 122, at 9:30 a.m. Comments regarding this issue may be submitted prior to the meeting to Ms. Glenna Schultz at [glenna.schultz@boe.ca.gov](mailto:glenna.schultz@boe.ca.gov) or FAX (916) 323-8765.

If you have any questions regarding this project, you may contact either Paul Steinberg at (916) 322-1057 or Glenna Schultz at (916) 324-5836.

Sincerely,

/s/ David J. Gau

David J. Gau  
Deputy Director  
Property and Special Taxes Department

DJG:grs